

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL MEMORANDUM**

**SB 1397 – HB 1721**

April 23, 2009

**SUMMARY OF AMENDMENT (006480):** Deletes all language after the enacting clause. Effective October 1, 2009, requires every health insurance entity to clearly identify and disclose any material change to their previously-released provider manual. Effective July 1, 2010, requires every insurance entity to provide a web-based pre-adjudication tool to be used by a health care provider prior to submitting claims to the adjudication system used by the health insurance entity. This bill does not apply to a contract between a health care provider and Medicare, a state group insurance plan, TennCare or and successor program, the CoverKids Act of 2006; or the Cover Tennessee Act of 2006.

**FISCAL IMPACT OF ORIGINAL BILL:**

Increase State Expenditures – Not Significant

Potential Impact on Health Insurance Premiums (required by Tenn. Code Ann. § 3-2-111): Such legislation could result in an increase in the cost of health insurance premiums. Any additional administrative costs incurred by the health insurance companies could result in a shift in those costs to enrollees through an increase in premiums that would exceed \$100,000.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Unchanged from the original fiscal note.**

Assumption applied to amendment:

- Any cost associated with the administration and enforcement of the requirements of this bill can be accommodated within existing resources without an increase appropriation or reduced reversion.

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**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized initial "J".

James W. White, Executive Director

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